

Department of Finance STATE OF CALIFORNIA MANUAL OF STATE FUNDS		Fund: 6045 PAGE 1 Renumbered From:
<u>Legal Title</u> Economic Recovery Fund		
<u>Legal Citation/Authority</u> Chapter 2, Statutes of 2003 (ABX5 9) Government Code sections 99050 (General Provisions), 99060 (Creation)		
<u>Fund Classification</u> <u>GAAP Basis</u> Governmental/General Fund	<u>Fund Classification</u> <u>Legal Basis</u> Nongovernmental/Bond Funds	
<u>Purpose</u> Chapter 2, Statutes of 2003 (ABX5 9), enacted the Economic Recovery Bond Act (Act), which authorizes the issuance of bonds in an amount not to exceed \$15 billion for purposes of financing the accumulated state budget deficit. The Economic Recovery Fund was created to deposit the proceeds of bonds issued and sold pursuant to the provisions of the Act. Pursuant to Section 99060 (b), the money in this fund will be invested in the Surplus Money Investment Fund, and any income from that investment will be credited to the fund.		
<u>Administering Agency/Organization Code</u> State Treasurer's Office/ Org 0950		
<u>Major Revenue Source</u> Proceeds of bonds issued and sold pursuant to the Economic Recovery Bond Act.		
<u>Disposition of Fund (upon abolishment)</u> Section 99060 (c), provides that except for amounts necessary to pay costs of issuance, administrative costs, and any other costs payable in connection with the bonds, and to retire or refund bonds issued and sold under Title 17 (commencing with Section 99000), the remaining balance of the fund, as determined by the committee, will be transferred to the General Fund to fund the purposes of the Act.		
<u>Appropriation Authority</u> This money in this fund is continuously appropriated to pay costs of issuance, administrative costs, and any other costs associated with the bonds.		
<u>State Appropriations Limit</u> Always Excluded – Revenues in this fund are not proceeds of taxes and even after transfer, will never become proceeds of taxes because the major revenue source is derived from a Bond Fund.		
<u>Comments/Historical Information</u> Section 7203.1 of the Revenue and Taxation Code contains an urgency statute providing for the immediate effect of the Act.		